

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2000	PL Base Adjustment Fiscal 2002	New Proposals Fiscal 2002	Total Leg. Budget Fiscal 2002	PL Base Adjustment Fiscal 2003	New Proposals Fiscal 2003	Total Leg. Budget Fiscal 2003	Total Leg. Budget Fiscal 02-03
FTE	7.00	0.00	0.00	7.00	0.00	0.00	7.00	7.00
Personal Services	275,647	46,719	0	322,366	49,775	0	325,422	647,788
Operating Expenses	204,511	12,670	(1,132)	216,049	(14,315)	(1,132)	189,064	405,113
Equipment	0	16,500	0	16,500	0	0	0	16,500
Grants	333,098	63,805	0	396,903	69,883	0	402,981	799,884
<b>Total Costs</b>	<b>\$813,256</b>	<b>\$139,694</b>	<b>(\$1,132)</b>	<b>\$951,818</b>	<b>\$105,343</b>	<b>(\$1,132)</b>	<b>\$917,467</b>	<b>\$1,869,285</b>
General Fund	280,604	54,017	(1,132)	333,489	23,079	(1,132)	302,551	636,040
State/Other Special	132,440	8,389	0	140,829	4,976	0	137,416	278,245
Federal Special	400,212	77,288	0	477,500	77,288	0	477,500	955,000
<b>Total Funds</b>	<b>\$813,256</b>	<b>\$139,694</b>	<b>(\$1,132)</b>	<b>\$951,818</b>	<b>\$105,343</b>	<b>(\$1,132)</b>	<b>\$917,467</b>	<b>\$1,869,285</b>

### Agency Description

The Montana Arts Council is authorized by Title 22-2-101, MCA to assist public and private institutions with artistic and cultural activities. The council encourages participation in, and appreciation of, the arts. The council fosters interest in the state's cultural heritage, expands state cultural resources, and supports freedom of artistic expression through ongoing programs and projects. The council administers the Cultural and Aesthetic Project grants, other grants approved by the legislature, and makes recommendations to the legislature on arts related issues.

### Summary of Legislative Action

The total budget for the Arts Council for the 2003 biennium is \$1.9 million. This is a 12.3 percent increase above the 2001 biennial budget of \$1.7 million. The legislature increased the budget of the Arts Council by \$205,147 over the 2001 biennium level, including \$80,847 in general fund. The legislature maintained present law with the agency budget personal services and operating expenses. Present law adjustments include computer equipment improvements and adjustments to federal and other state funding. The legislature approved no new proposals for arts-related functions other than a statewide adjustment.

### Other Legislation

House Bill 9 - HB 9 provides Cultural and Aesthetic Grants funding to the Arts Council. The bill appropriates \$523,575 general fund and \$417,555 state special revenue funds from the Cultural and Aesthetic Trust Fund interest earnings in the 2003 biennium. For further information, see the Long Range Planning section of this volume.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 2000	Executive Budget Fiscal 2002	Legislative Budget Fiscal 2002	Leg – Exec. Difference Fiscal 2002	Executive Budget Fiscal 2003	Legislative Budget Fiscal 2003	Leg – Exec. Difference Fiscal 2003	Biennium Difference Fiscal 02-03
FTE	7.00	7.00	7.00	0.00	7.00	7.00	0.00	
Personal Services	275,647	322,366	322,366	0	325,422	325,422	0	0
Operating Expenses	204,511	241,746	216,049	(25,697)	214,761	189,064	(25,697)	(51,394)
Equipment	0	16,500	16,500	0	0	0	0	0
Grants	333,098	396,903	396,903	0	402,981	402,981	0	0
<b>Total Costs</b>	<b>\$813,256</b>	<b>\$977,515</b>	<b>\$951,818</b>	<b>(\$25,697)</b>	<b>\$943,164</b>	<b>\$917,467</b>	<b>(\$25,697)</b>	<b>(\$51,394)</b>
General Fund	280,604	359,186	333,489	(25,697)	328,248	302,551	(25,697)	(51,394)
State/Other Special	132,440	140,829	140,829	0	137,416	137,416	0	0
Federal Special	400,212	477,500	477,500	0	477,500	477,500	0	0
<b>Total Funds</b>	<b>\$813,256</b>	<b>\$977,515</b>	<b>\$951,818</b>	<b>(\$25,697)</b>	<b>\$943,164</b>	<b>\$917,467</b>	<b>(\$25,697)</b>	<b>(\$51,394)</b>

### Funding

The Montana Arts Council is funded with a combination of general fund, state special revenue from Cultural and Aesthetic (C&A) Trust Fund interest earnings, and federal funds from the National Endowment for the Arts. Funding percentages for the different fund sources have remained relatively stable.

Present Law Adjustments									
-----Fiscal 2002-----					-----Fiscal 2003-----				
FTE	General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
Personal Services				46,719					49,775
Vacancy Savings				0					0
Inflation/Deflation				(111)					421
Fixed Costs				4,267					(15,301)
<b>Total Statewide Present Law Adjustments</b>				<b>\$50,875</b>					<b>\$34,895</b>
DP 1 - Computer Equipment									
0.00	25,500	0	0	25,500	0.00	0	0	0	0
DP 4 - Additional Federal Funding									
0.00	0	0	64,435	64,435	0.00	0	0	70,513	70,513
DP 5 - Reduction of State funding									
0.00	0	(1,051)	0	(1,051)	0.00	0	0	0	0
DP 696 - Data Network Fixed Cost Reduction									
0.00	(65)	0	0	(65)	0.00	(65)	0	0	(65)
<b>Total Other Present Law Adjustments</b>									
<b>0.00</b>	<b>\$25,435</b>	<b>(\$1,051)</b>	<b>\$64,435</b>	<b>\$88,819</b>	<b>0.00</b>	<b>(\$65)</b>	<b>\$0</b>	<b>\$70,513</b>	<b>\$70,448</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$139,694</b>					<b>\$105,343</b>

### Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 1 - Computer Equipment - The legislature approved funding to purchase four computer workstations, one optical character recognition scanner, one network printer, and one network server during the 2003 biennium.

DP 4 - Additional Federal Funding - The legislature approved authority to spend federal funds in the actual federal amounts awarded during the 2003 biennium.

DP 5 - Reduction of State funding - The legislature approved a reduction of \$1,051 in the 2003 biennium due to less revenue anticipated in state funding for administrative costs of grants.

DP 696 - Data Network Fixed Cost Reduction - The legislature approved fees and charges for data network support provided by the Information Services Division of the Department of Administration at a level lower than that proposed by the executive and used to develop the associated fixed cost budget requests. This adjustment removes the corresponding fixed costs from agency budgets.

New Proposals										
Prgm	FTE	Fiscal 2002				Fiscal 2003				
		General	State Special	Federal Special	Total Funds	FTE	General	State Special	Federal Special	Total Funds
DP 693 - Statewide Travel Reduction										
01	0.00	(1,132)	0	0	(1,132)	0.00	(1,132)	0	0	(1,132)
<b>Total</b>	<b>0.00</b>	<b>(\$1,132)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,132)</b>	<b>0.00</b>	<b>(\$1,132)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,132)</b>

### New Proposals

DP 693 - Statewide Travel Reduction - The legislature made a reduction in \$1,132 general fund each year of the 2003 biennium. This is equivalent to 16 percent of all general fund expenditures for travel in the fiscal 2000 budget base. The entire reduction was made to this division, with the allowance that the agency could reallocate this reduction among divisions when developing 2003 biennium operating plans.

### Language

All federal funds in item [Promotion of the Arts] are biennial appropriations.

Item [Promotion of the Arts] includes a reduction in general fund of \$1,132 in fiscal 2002 and \$1,132 in fiscal 2003. This reduction is the equivalent of a 16 percent reduction in fiscal 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.